



OKLAHOMA STATE TREASURER RANDY MCDANIEL

For Immediate Release: December 5, 2019

November Gross Receipts Drop

OKLAHOMA CITY – For the first time in more than two and a half years, monthly Gross Receipts to the Treasury are less than collections from the same month of the prior year due to a number of key factors, State Treasurer Randy McDaniel announced today.

November total monthly collections were \$989.7 million, down by \$43.8 million, or 4.2 percent, from last year. The last time monthly gross receipts were less than the same month of the prior year was in March 2017, which was 32 months ago.

The reduction in total collections appears to be due to a combination of economic and timing issues.

This November had one less day of tax collections than last year. However, analysis indicates the primary reasons for the decrease are lower sales tax and oilfield tax payments. Sales tax receipts are down for a fifth time in the past six months, and oil and gas gross production collections are considerably lower for a third consecutive month.

“Lower energy prices are having a significant influence on gross production tax receipts,” McDaniel said. “The recent large layoffs in the energy sector impact both families and the overall economy. My heart goes out to the families affected by the layoffs.”

In addition to sales and gross production declines of 5.2 percent and 30.8 percent, respectively, November receipts from motor vehicle taxes were down by 10.8 percent, and corporate income taxes were off by 30.2 percent. Receipts from individual income tax and use tax were up but both by less than 5 percent.

Other indicators

The Oklahoma Business Conditions Index for November fell below growth neutral for a second consecutive month and the third time in the past four months. November’s rate of 47.8 is down from 48.7 in October, indicating slow to no economic growth in the next three to six months. Numbers below 50 are considered growth negative.

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The seasonally adjusted jobless rate for Oklahoma increased to 3.3 percent in October, one-tenth of a percentage point above September's rate. The U.S. unemployment rate rose to 3.6 percent in October, up from 3.5 percent in September, according to figures released by the Oklahoma Employment Security Commission.

November collections

November gross collections total \$989.7 million, down by \$43.8 million, or 4.2 percent, from November 2018.

Gross income tax collections, a combination of individual and corporate income taxes, generated \$265.5 million, an increase of \$1.9 million, or 0.7 percent, from the previous November.

Individual income tax collections for the month are \$258.1 million, up by \$5.1 million, or 2 percent, from the prior year. Corporate collections are \$7.4 million, a decrease of \$3.2 million, or 30.2 percent. Wide monthly variances are not unusual for corporate income tax collections.

Combined sales and use tax collections, including remittances on behalf of cities and counties, total \$463.9 million in November. That is \$3.1 million, or 0.7 percent, less than November 2018.

Sales tax collections in November total \$402.5 million, a drop of \$5.2 million, or 1.3 percent from the same month of the prior year. Use tax receipts, collected on out-of-state purchases including online sales, generated \$61.4 million, an increase of \$2 million, or 3.4 percent, over the year.

Gross production taxes on oil and natural gas generated \$82.2 million in November, a decrease of \$36.6 million, or 30.8 percent, from last November. Compared to October 2019 reports, gross production collections are up by \$10.6 million, or 14.8 percent.

Motor vehicle taxes produced \$54.1 million, down by \$6.5 million, or 10.8 percent, from the same month of 2018.

Other collections composed of some 60 different sources including taxes on fuel, tobacco, medical marijuana, and alcoholic beverages, produced \$123.9 million during the month. That is \$585,225, or 0.5 percent, more than last November.

Twelve-month collections

Gross revenue totals \$13.69 billion from the past 12 months, December 2018 through November 2019. That is \$859.5 million, or 6.7 percent, above collections from the previous 12-month period.

Gross income taxes generated \$4.68 billion for the 12 months, reflecting an increase of \$276.2 million, or 6.3 percent, from the prior 12 months.

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Individual income tax collections total \$4.16 billion, up by \$252.8 million, or 6.5 percent, from the prior period. Corporate collections are \$521 million for the period, an increase of \$23.4 million, or 4.7 percent, over the previous 12 months.

Combined sales and use taxes for the 12 months generated \$5.61 billion, an increase of \$218.6 million, or 4.1 percent, from the prior period.

Gross sales tax receipts total \$4.89 billion, up by \$73 million, or 1.5 percent, during the period. Use tax collections generated \$720.9 million, an increase of \$145.6 million, or 25.3 percent, over the previous 12 months.

Oil and gas gross production tax collections brought in \$1.07 billion during the 12 months, up by \$144.3 million, or 15.6 percent, from the previous 12 months.

Motor vehicle collections total \$785.9 million for the 12 months. This is an increase of \$3.1 million, or 0.4 percent, from the trailing period.

Other sources generated \$1.55 billion, up by \$217.3 million, or 16.3 percent, from the previous period.

About Gross Receipts to the Treasury

The Office of the State Treasurer developed the monthly Gross Receipts to the Treasury report in order to provide a timely and broad view of the state's economy.

It is released in conjunction with the General Revenue Fund report from the Office of Management and Enterprise Services, which provides information to state agencies for budgetary planning purposes.

The General Revenue Fund, the state's main operating account, receives less than half of the state's gross receipts with the remainder paid in rebates and refunds, remitted to cities and counties, and apportioned to other state funds.

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For more information contact:

Tim Allen, Deputy Treasurer for Communications & Program Administration, (405) 522-4212

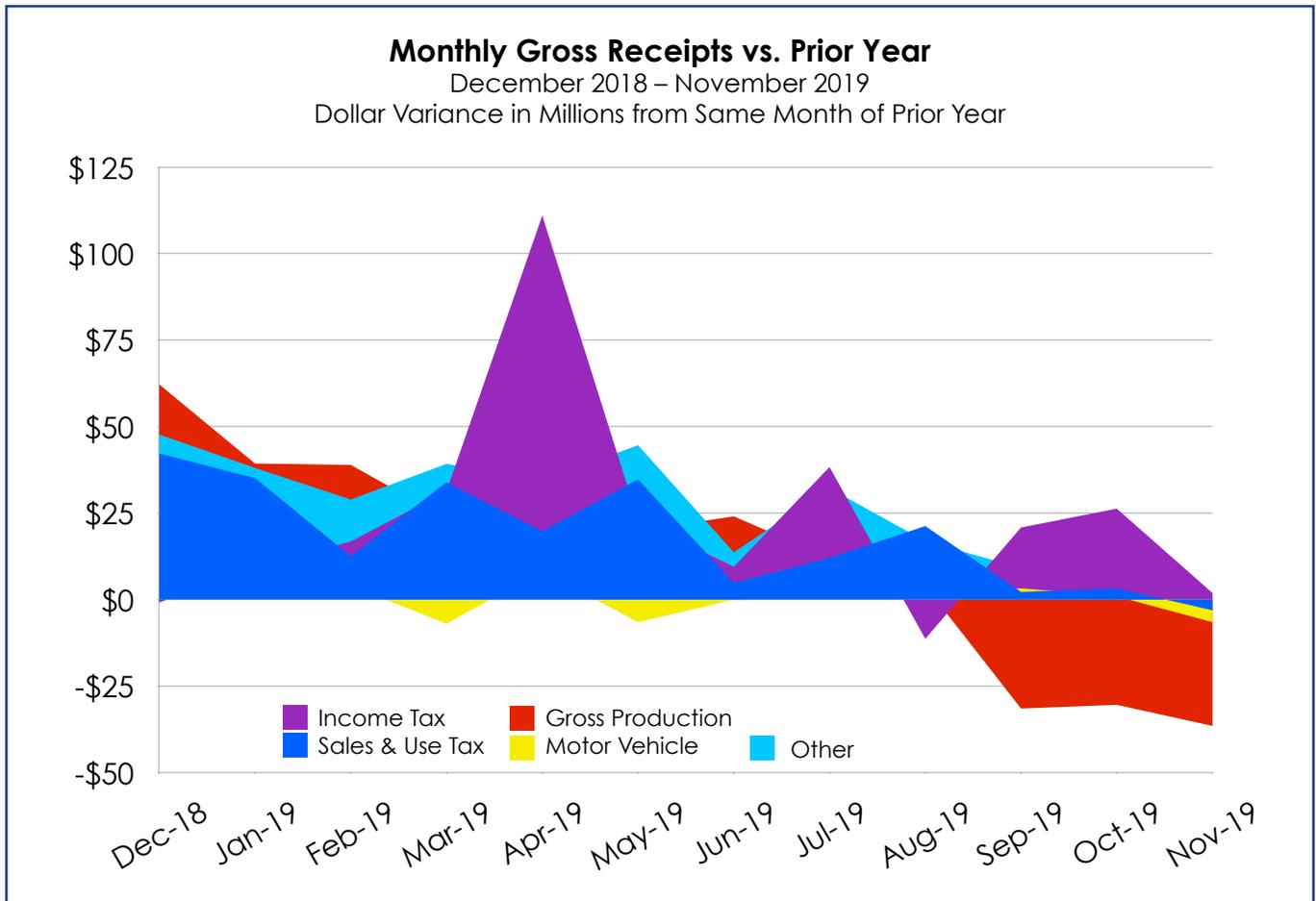
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	MONTHLY COMPARISON		Variance From Prior Year	
	November-18	November-19	\$	%
Total Income Tax	263.7	265.5	1.9	0.7%
<i>Individual</i>	253.1	258.1	5.1	2.0%
<i>Corporate</i>	10.6	7.4	(3.2)	-30.2%
Sales & Use Tax (1)	467.0	463.9	(3.1)	-0.7%
<i>Sales Tax</i>	407.7	402.5	(5.2)	-1.3%
<i>Use Tax</i>	59.3	61.4	2.0	3.4%
Gross Production	118.8	82.2	(36.6)	-30.8%
Motor Vehicle	60.7	54.1	(6.5)	-10.8%
Other Sources (2)	123.4	123.9	0.6	0.5%
TOTAL REVENUE	1,033.4	989.7	(43.8)	-4.2%

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.



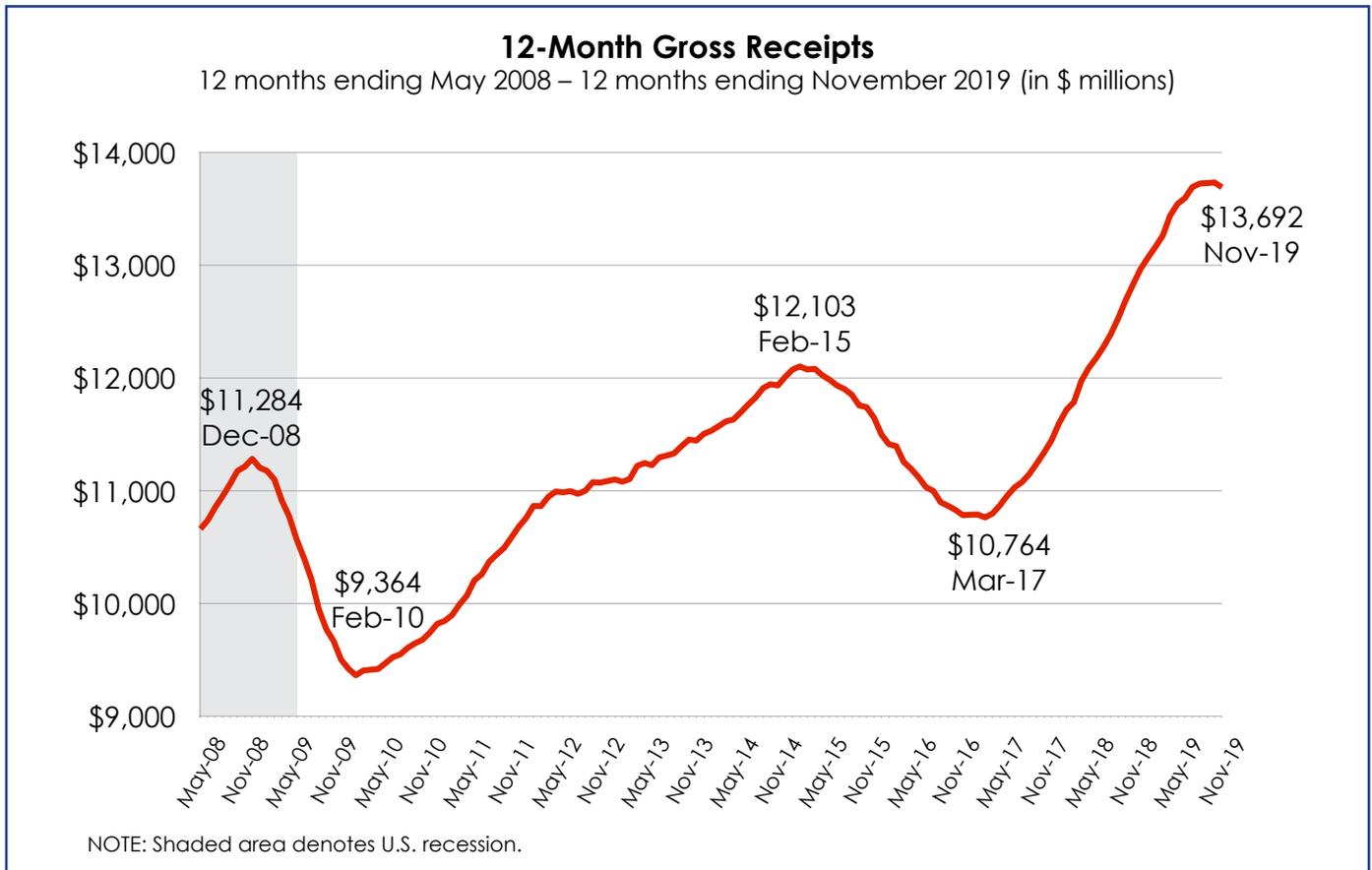
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending Dec 18 - Nov 19			
	Prior Year	Current Year	Variance From Prior Year	
	Dec 17 - Nov 18	Dec 18 - Nov 19	\$	%
Total Income Tax	4,400.1	4,676.2	276.2	6.3%
<i>Individual</i>	3,902.4	4,155.2	252.8	6.5%
<i>Corporate</i>	497.7	521.0	23.4	4.7%
Sales and Use Tax (1)	5,389.5	5,608.1	218.6	4.1%
<i>Sales Tax</i>	4,814.3	4,887.2	73.0	1.5%
<i>Use Tax</i>	575.2	720.9	145.6	25.3%
Gross Production	926.2	1,070.5	144.3	15.6%
Motor Vehicle	782.8	785.9	3.1	0.4%
Other Sources (2)	1,333.5	1,550.8	217.3	16.3%
TOTAL REVENUE	12,832.1	13,691.6	859.5	6.7%

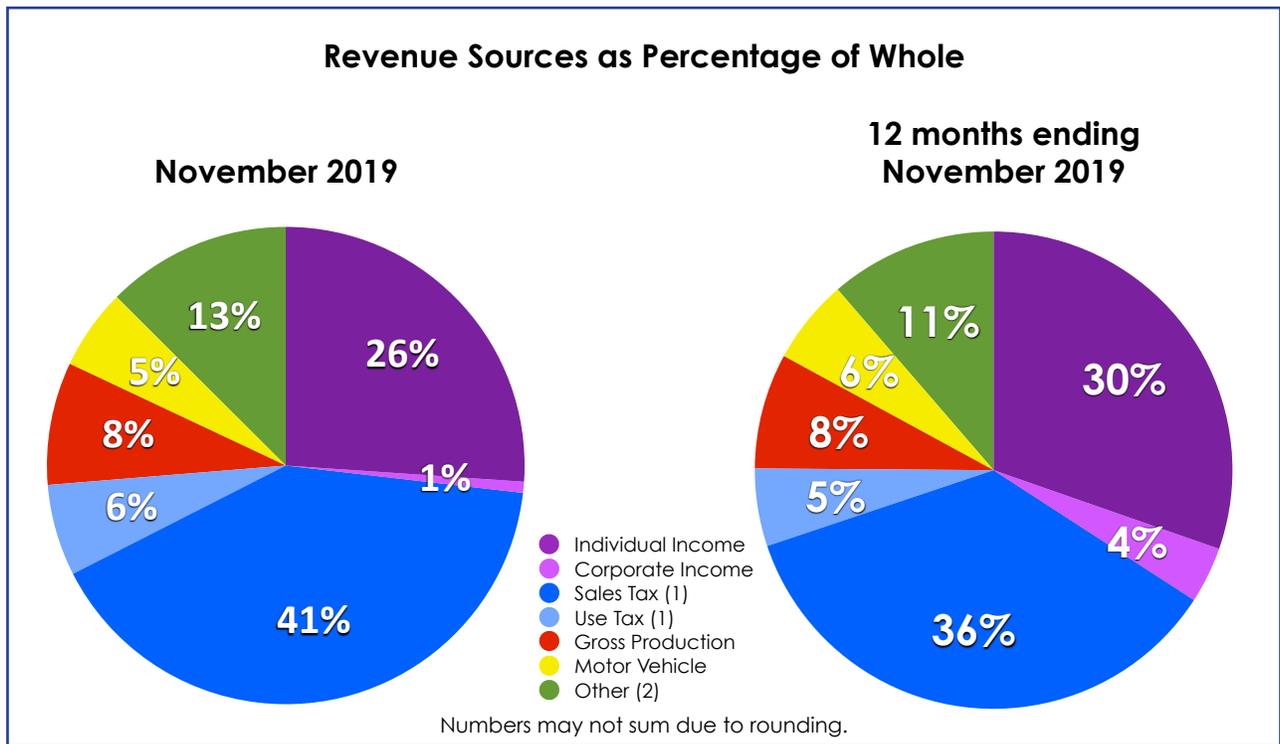
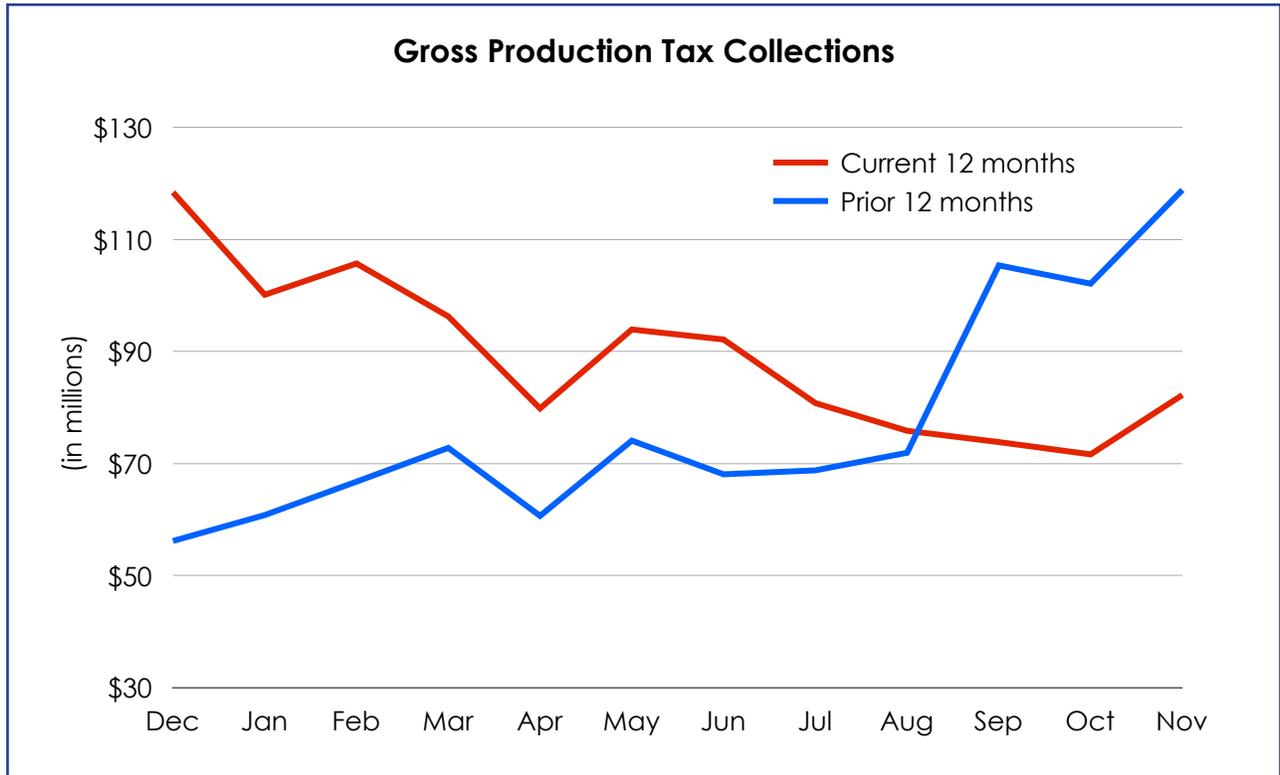
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Gross Receipts to Treasury



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